



U.S. Department of Justice

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NEWS RELEASE

HIGHLAND MAN AGREES TO JUDGMENT OF MORE THAN \$1.7 MILLION DOLLARS; CONTINUED TO COLLECT FATHER'S FEDERAL RETIREMENT BENEFITS AFTER HIS DEATH

SALT LAKE CITY – The U.S. Attorney's Office has agreed to a civil settlement of more than \$1.7 million with David Barry Hendrickson of Highland, Utah, for knowingly submitting false claims to the United States government.

Hendrickson's father retired from his position as a personnel officer for the Long Beach Naval Shipyard in Long Beach, Calif., in 1972 and began receiving federal retirement benefits as an annuitant under the Civil Service Retirement System paid by the Office of Personnel Management's Center for Retirement and Insurance Services. Hendrickson's father died in October 1995.

Following his father's death, monthly federal retirement benefits continued to be electronically deposited into a Wells Fargo bank account. Hendrickson, as a joint account holder on the bank account, kept collecting the benefits and continued to use the funds for his personal use. Benefits

were collected until August 2006. The total amount of funds Hendrickson collected after his father's death was \$608,467.83. When the case was discovered, federal authorities were able to recover \$60,814.35 from the bank account leaving a principle amount owed of \$547,669.22.

During the period of time, Hendrickson submitted or caused to be submitted false claims or false statements each time he claimed funds from the bank account, all of which were rightfully funds belonging to the United States to which he was not entitled.

Under the False Claims Act, the United States is entitled to recover three times the actual amount Hendrickson received from the United States and civil penalties in the amount of \$11,000 per claim.

The settlement reached with Hendrickson is for \$1,775,589.

Hendrickson, 71, also was charged in a criminal case in July 2008 with theft of government funds and pled guilty Aug. 6, 2008. As a part of his plea agreement, Hendrickson admitted that after his father died in October 1995, he failed to notify the Office of Personnel Management of this disqualifying event and continued to collect his deceased father's benefits until August 2006.

He faces up to 10 years in federal prison and a \$250,000 fine when he is sentenced Aug. 26, 2009, at 2:30 p.m., by U.S. District Judge Dale Kimball.

The investigation was conducted by U.S. Office of Personnel Management, Office of the Inspector General, Office of Investigations. The U.S. Attorney's Office is handling both the civil and criminal cases.

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